Evasion on Mat and Income Tax by Essar Group

*574. SHRI BHAGABAN MAJHI: Will the Minister of FINANCE be pleased to state:

(a) whether ESSAR Group have been evading Minimum Alternate Tax and Income Tax on one pretext or the other;

(b) if not, how much tax the Group paid in each category during the last two years; and

(c) whether Government were satisfied with the accounting of the Group while evaluating the taxes deposited by the Group?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) The provisions of section 115 J A of Income Tax Act, relating to Minimum Alternate Tax (MAT) have come into effect from FY. 1996-97 relevant to Ay 1997-98. The returns of income for May 1997-98 have still not becoming due. Therefore, it is premature to say whether ESSAR Group has evaded MAT.

As regards evasion of Income-tax by the group, there are certain disputed issues which are pending at various stages of appeal.

(b) the taxes paid by some of the Companies of the Group during Fiancial Years 1994-95 and 1995-96 are as pet enclosed statement. *(See* below) Regard ing taxes paid during Financial Year 1996-97 toward MAT, the returns for the same will become due only in November, 1997.

(c) Additions to the returned income have been made in some of the cases of the Group on various legal as well as factual issues. The additions made are disputed and are pending at various stages of appeal.

Statement

Taxes paid by some of the companies of ESSAR Group

(I Is. in lakhs)

s. No.	Name of the Essar Group Company	Tax paid during Financial Years	
		1994-95	1 L995-96
1.	M/s Essar Steel Limited	648	58
2.	M/s Essar Investments Ltd.	441	682
3.	M/s Essar Services Ltd.	5	9
4.	M/s Essar Sisco Ship Management Company Ltd.	14	14
5.	M/s South India Sipping Limited Corporation	236	312
6.	M/s India Securities Ltd.	48	NIL
7.	M/s Essar Shipping Ltd.	55.16	126.80
8.	M/s Essar Properties Ltd.	33.60	42.31
9.	M/s Kausar Engineers Ltd.	30.21	51.40
10.	M/s Essar Stena Ltd.	—	—
11.	M/s Essar Oil Ltd.	473.76	469.04
12.	M/s Essar Coastal Ltd.	0.03	—
13.	M/s Bansari Invst. Finance P. Ltd.	1.63	3.74
14.	M/s Essar Industrial Gas Ltd.	—	—
15.	M/s Essar Information Tech. Ltd.	0.033	—
16.	M/s Dwarka Holdings P. Ltd.	7.33	13.23

s. No.	Name of the Essar Group Company	Tax paid during Financial Years	
		1994-95	1995-96
17.	M/s Essar Travels P. Ltd.		
18.	M/s Hemangi Financial Leasing P. Ltd.	3.68	1.53
19.	M/s Kokila Invst. & Trading P. Ltd.	4.10	0.79
20.	M/s Mrilini Leasing & Financial P. Ltd.	3.25	0.89
21.	M/s Shubhangi Invst. & Trd. Ltd.	52.56	1.33
22.	M/s Caboose Invst. P. Ltd.	—	—
23.	M/s Arkay Holdings Ltd.	6.12	14.02
24.	M/s Essar World Trade	139.56	84.18
25.	M/s Essar Projects Ltd.	254.03	130.57
26.	M/s E"ssar Agrotech Ltd.	0.47	0.018
27.	M/s Essar Terminals Ltd.	0.27	—
28.	M/s Caricatue Invst. & Marketing P. Ltd.	—	—
29.	M/s J. Jain Properties P. Ltd.	—	47.26
30.	M/s Futora Travels	—	—
31.	M/s Mansiri Invst. & Leasing P. Ltd.	—	—
32.	M/s Indsec Invst. Ltd.	6.67	9.03
33.	M/s Indsic Holdings Ltd.	0.01	0.007
34.	M/s Kalcita Invst. P. Ltd.	—	—
35.	M/s Indie Housing Finance Ltd.	—	—
36.	M/s Metchem Canada Inc. (Through Agents Eassar Steel Ltd.)	0.71	74.58
37.	M/s S.G. Chemicals Ltd.	0.31	11.76
38.	M/s Shri Krishna Agro Indl. Serices Pvt. Ltd.	—	0.50
39.	M/s Shandilya Traders Pvt. Ltd.	—	—
40.	M/s Essar Power Ltd.	—	3.37
41.	M/s Jade Invst. & Leasing P. Ltd.	—	—
42.	M/s Prajakta Trading & Investment Ltd.	—	—
43.	M/s Sarnath Securities Pvt. Ltd,	—	—
44.	M/s Elite Estates Pvt. Ltd.	11.68	11.52
45.	M/s Regal Properties	7.78	11.49

Expenditure on Children in Special Schools under NCLP

*575. SHRI SANATAN BISI: Will the Minister of LABOUR be pelased to State the details of expenditure being incurred per head per day on children in the special schools under the National Child Labour Policy?

THE MINISTER OF LABOUR (SHRI M. ARUNACHALAM): Under the National Child Labour Project Scheme which is currently under implementation for the rehabilitation of children working in hazardous occupations, the maximum permissible expenditure per child per year is Rs. 3796 in a special schools of 50 children and Rs. 3172 in a special school of 100 children. Model budget for special schools under the scheme indicating itemwise expenditure is given in the enclosed statement.